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EXHIBIT	NG.	

## City of Alexandria, Virginia

6-14-05

#### **MEMORANDUM**

DATE:

JUNE 6, 2005

TO:

THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

JAMES K. HARTMANN, CITY MANAGER

SUBJECT:

PROPOSED GIFT TO THE CITY OF STABLER-LEADBEATER

APOTHECARY MUSEUM AND ITS COLLECTION

**ISSUE:** Assumption of ownership of the Stabler-Leadbeater Apothecary Museum.

#### **RECOMMENDATION:** That City Council:

- (1) Agree in concept to the offer and gift of the Stabler-Leadbeater Apothecary Museum and its collection;
- (2) Request the City Manager to conduct necessary planning and due diligence needed to meet any legal requirements for future acceptance of the property and its collection; and
- (3) Plan to docket the formal acceptance of the gift of the Stabler-Leadbeater Apothecary Museum and its collection in the fall of 2005.

<u>DISCUSSION</u>: Members of the Board of Directors of the Stabler-Leadbeater Apothecary Museum approached the City in March about the possible gift and transfer of the Apothecary Museum buildings (105 and 107 S. Fairfax Street) and its vast collection to the City. Over the last several months, the Mayor, Vice Mayor and staff have had discussions with the Apothecary Museum Board Members relating to this major gift.

The City and the Stabler-Leadbeater Apothecary Museum Board tentatively have agreed to move forward with this major gift, but there are many details which remain to be worked out. In the early fall staff will prepare a docket item to Council which will recommend formal acceptance of this gift and transfer of the Museum and its contents to the City.

The Stabler-Leadbeater Apothecary Shop was established in 1792 and operated continuously for 141 years until closing in 1933 during the Depression. The contents of the Museum are extensive and date back to the early years of the Apothecary. Over 8,000 original objects including medical ware, fixtures, and furnishings are in the collection which is planned to be transferred to the City. The collection is considered to be one of the most important historic pharmaceutical collections in

the United States. A more complete history of the Stabler-Leadbeater Apothecary Museum is attached (Attachment 2). In 1939 an initial restoration was initiated, and in 2004 a major renovation and restoration was undertaken with a combination of City and private funds. This restoration is nearly completed. It is the closest museum to the City's Visitors Center and the central tourism area in the City.

The Stabler-Leadbeater Apothecary Museum has been owned and operated by a non-profit organization, and that organization has increasingly found it more difficult to maintain operations and strong volunteer participation. Since the City operates and maintains museums, and since the Stabler-Leadbeater Apothecary Museum is a unique asset which needs to be kept viable and open to the public, the Museum Board has felt that the City was in the best position to make sure the Museum remained viable. Under the transfer planning to date, the Stabler-Leadbeater Apothecary Museum organization would be changed into a "Friends of the Stabler-Leadbeater Apothecary Museum" organization and would continue to provide volunteer and financial support to the Museum.

The Stabler-Leadbeater Apothecary Museum Board of Directors began the first phase of the formal process by notifying the members of their organization of the proposed gift and transfer of the Museum to the City. They had a meeting to discuss and act on this on June 2. The attached notice (Attachment 1) was sent to their members. The result of the June 2 meeting was that the Stabler-Leadbeater Apothecary Museum membership voted 58 to 0 to convey the Museum to the City, as well as to keep their organization active but change their name to "Friends of the Stabler-Leadbeater Apothecary Museum" to reflect their new supportive role (fundraising, volunteering, etc.).

Prior to formal acceptance of the Museum and its collection, many details need to be worked out, including a due diligence review of the facility and its condition. Museum operating plans also need to be developed. It is expected that those activities (as well as the completion of the Stabler-Leadbeater Apothecary Museum renovations) will all occur this summer, so that by September a formal acceptance and transfer of the Museum to the City and its collection can occur. In the intervening period, the Office of Historic Alexandria will work with the Stabler-Leadbeater Apothecary Museum organization and its staff to plan for the future Museum operations and collection display.

**FISCAL IMPACT:** There will be a fiscal impact to the City to operate the Museum. However, at this time the budget for operating the Museum is still under discussion. The staffing needs will be the largest cost, with the hours of operation, staffing, income from the Museum's over \$175,000 endowment, profits from the gift shop, and admission income representing factors which are being reviewed. While the timing of the transfer discussions did not fit within the FY 2006 operating budget process, the budget resources to fund the costs of the City assuming the Museum and its operations will be identified out of existing resources to the degree feasible.

### **ATTACHMENTS**:

Attachment 1. Notice of Member Meeting of Stabler-Leadbeater Apothecary Museum Attachment 2. Stabler-Leadbeater Apothecary Museum Summary History

#### **STAFF**:

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www.apothecarymuseum.org

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Paula Casale-Spitler Museum Manager



# NOTICE OF MEMBER MEETING OF STABLER LEADBEATER APOTHECARY MUSEUM

The Board of Directors of the Stabler Leadbeater Apothecary Museum is pleased to advise the members of the Stabler Leadbeater Apothecary Museum that we have reached a tentative agreement with the officials of the City of Alexandria for the City to take ownership of the Museum. This transfer is subject to City Council approval. For the past decade we have worked closely with the City to support and preserve this Museum. The City has demonstrated its appreciation of the value of the Museum and its commitment to the Museum by funding approximately \$800,000 for the restoration of the Museum which is now about two months away from completion. At the same time, private citizens and the pharmaceutical industry supported the Museum by raising over \$200,000 for an endowment to be used to provide operating funds for the Museum. Control of this endowment will be conveyed to the City as part of the conveyance of the Museum; and the City will devote the Museum, its collections, and the endowment fund solely for the purpose of operating the Stabler Leadbeater Apothecary Museum at its current site.

Conveyance of the Museum to the City will assure that this Museum is preserved for the ages, and that the City, and its citizens and visitors do not lose this invaluable cultural asset. In addition, City ownership will enable the City to devote to the Museum the City's considerable resources and experience of the City's Office of Historic Alexandria in the area of museums, historic preservation and collections.

It is the intent of the Board of Directors that the Stabler Leadbeater Apothecary Museum organization will remain in existence under the name, "Friends of the Stabler Leadbeater Apothecary Museum" for the purpose of providing financial and volunteer support for the Museum.

We will need a member vote to approve the transfer of the Museum to the City and to approve the amendments noted below to the Articles of Incorporation, which amendments will allow this organization to operate as a Friends Society in support of the Museum.

The time, date and place of the member meeting is as follows:

Date: June 2, 2005 Time: 6:00 p.m.

Place: Offices of the American Association of Colleges of Pharmacy

1426 Prince Street Old Towne, Alexandria Please feel free to give me a call if you have any questions concerning this matter; and please call my assistant Syretha Richardson at (202) 414-9317 to tell her if you will attend, so that we have an estimated count for the meeting.

Thank you again for supporting the Museum in the past, and I hope that you will continue to do so in the future through the Friends Society.

Very truly yours,

Henry Hart, President

Stable Leadbeater Apothecary Museum

(202) 414-9225

Amendments To Articles of Incorporation

A vote will be taken to amend the Articles of Incorporation of the Stabler Leadbeater Apothecary Museum as follows:

- 1. Amend Article 1 to change the name to "Friends of the Stabler Leadbeater Apothecary Museum."
  - 2. The following sentence shall be added to Article (c):

"In addition, the purposes of the corporation shall include acting as a Friends Society to provide financial and voluntary support for the Stabler Leadbeater Apothecary Museum."

### Stabler-Leadbeater Apothecary Museum

Summary History
Prepared by Sarah Becker (3/4/05)

The privately-owned Stabler-Leadbeater Apothecary Museum is one of Alexandria, Virginia's most important, yet least known historic sites. The Apothecary Shop's history encompasses four wars, rampaging epidemics and the remarkable history of its founder, Quaker and abolitionist Edward Stabler. The Shop functioned as a community pharmacy...serving such notable patrons as the George Washington family, James Monroe and Robert E. Lee; a wholesale druggist...providing raw materials and finished products to apothecaries, physicians and dealers; and a manufacturer...preparing finished medicines for patients, customers, other apothecaries and pharmacies. The Apothecary Shop was established in 1792 and operated continuously under the auspices of the Stabler-Leadbeater family until it closed in 1933.

The Stabler-Leadbeater Apothecary Museum is the only Alexandria museum with an original collection in its original location. The Apothecary Shop's one hundred and forty one years of operating history are completely documented...day and prescription books, ledgers and formula books, diaries, recipe and minute books, orders, invoices, stock certificates and labels. Said the Library of Virginia, "the collection appears to be one of the most impressive and continuous archives...extant."

The Museum's educational benefits accrue to both young and old alike. The city of Alexandria Public Schools' Science teachers are pleased with the development of its Children's Science Education Program. The children's program was developed in accordance with the State of Virginia's Science Standards of Learning. For example Shop founder Edward Stabler died of scarlet fever in 1831; scarlet fever is an infectious disease now treatable with the antibiotic, penicillin. Penicillin is derived from mold which children can grow.

At present the Museum's interpretive period is limited to the period 1792-1820 and incorporates the legacy of George Washington; the era of natural products in pharmacy, as well as the Quaker heritage of founder, Edward Stabler. Program opportunities include: Collections Management, Public Education [including Black history] and Children's Science Education. The Virginia Foundation for the Humanities recently designated the Museum as an African-American heritage site.

The Stabler-Leadbeater Apothecary Museum is located in two partially restored Federal-style, attached, row house buildings at 105-107 S. Fairfax Street. Most of the buildings' architectural features are original, dating from Stabler's purchases (1829 and 1805 respectively). The Museum's initial restoration effort began in 1939; John Milner Associates, Inc. completed its first Historic Structures Report in May 2000.

In its current state of repair, the buildings do not meet modern building codes. The Museum can neither adequately serve its patrons [including children and Americans with disabilities] nor safely store the collections. The Museum's collection is of three types: pharmaceutical and medical ware, herbs, and archival records.

The Museum's 2002 visitor count was 15,178 persons. Visitation has increased steadily, but for safety reasons the city of Alexandria's Code Enforcement capped visitation at 15,000 visitors annually. The city of Alexandria now prohibits access to the upper floors and guests no longer are permitted to use the second floor assembly room.

Restriction will be lifted when buildings restorations is completed, in part, because code enforcement has approved construction of a single, new exit stairway to access program and interpretive spaces throughout the buildings.

Four recent marketing surveys confirm the Museum's economic contribution to the city. Sixty-five percent of admissions paying museum-goers stated that the Apothecary Museum was their first ever visit to an Alexandria museum. Visitors (in rank order of the top five localities) are from Virginia, California, Pennsylvania, United Kingdom and New Jersey. Eighty percent of admissions paying Museum-goers lodge overnight, requiring 3.86 room nights and 5.62 restaurant meals.

The 9/11 experience likely has changed the mix but on average 56% of Museum-goers are between the ages of 35-54, 37% have a college degree and 41% have a post-graduate degree. The Museum participates in several marketing efforts – only 26% of visitors list their occupation as pharmacist or medical – and it is featured in the Alexandria Convention and Visitor's Association's A Remarkable and Courageous Journey: A Guide to Alexandria's African American History.

The Apothecary Museum has been designated as Historic Landmarks by both the State of Virginia and the National Register of Historic Places. The National Register considers The Apothecary Shop to be "among the oldest preserved Apothecaries in the United States." Smithsonian officials have described The Apothecary Museum as unique in that it is the only Apothecary Shop in the United States with an intact nineteenth century wholesale and manufacturing facility.

The Apothecary Museum is a 501c3 nonprofit organization. It receives no city, state or federal operating subsidy. In 2000, the Museum pledged to raise an endowment within five years to assist with daily operations. The Museum raised \$231,300.

Day to day operations is the responsibility of the Museum Manager, her part time assistant, volunteer educators and docents. Until its closing in February 2004, the Museum was open daily. Admission applies including participation in the Market Square Block ticket.

The Stabler-Leadbeater Apothecary Museum supports research into Virginia's early history. No other local property has the potential to explain the city's early history as effectively as The Apothecary Museum. Two pear-shaped show globes, circa 1850, soon will be returned to their windows inviting all to enter and learn.

The city of Alexandria has appropriated \$620,000 for the Museum's restoration effort.